

Inadequate Compensation for the Greatest Sacrifice

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While victims' families of the September 11th terror attacks received a lump sum federal benefit that averaged \$1.5 million, most families of Marines killed in Iraq receive only a \$21,000 federal lump sum benefit.¹ Clearly, lawmakers were concerned with the financial well-being of those who suffered from the 9/11 terror attacks, regardless of whether or not they had personal life insurance. However, unlike the 9/11 victims, Marines must incur personal expense to receive adequate financial coverage in the event of death. Currently, over 95% of all active-duty Marines choose to make monthly payments to Service Member's Group Life Insurance (SGLI) to ensure family well-being in the event of their death.² Such a large percentage of Marine involvement in the insurance plan is testament that SGLI death compensation is critical to how Marines plan to care for their loved ones in the event of death. Furthermore, it illustrates the need for compensation amounts over and above other death benefits, such as the Survivor's Benefit Plan, Dependency and Indemnity Compensation, and death gratuity, and makes it clear that the Federal government must do more to aid families of deceased service members without burdening the service member with out-of-pocket expense. Precedent, fiscal viability, and the moral responsibility of lawmakers require that the monetary value SGLI provides should be a no-cost benefit to Marines.

PRECEDENT

In 2001, Congress passed into law the September 11th Victim Compensation Fund.³ This fund offered the families of 9/11 victims a minimum of \$250,000 with a projected average payout of \$1.5 million per claim.⁴ Nearly 97% of all eligible families submitted claims.⁵ This compensation was awarded gratis without any type of premiums paid by the deceased or their family.⁶ Additionally, not only did the Victim Compensation Fund pay for death claims, it also paid for injuries stemming from the terror attacks.⁷ Each injury claim was awarded an average payment of \$400,000.⁸ In order to receive these benefits, claimants needed only to apply.⁹ In no case was any recipient required to make any type of payments in order to receive these benefits and the compensation was at no-cost to the beneficiary.¹⁰ In creating this fund, the government set a precedent of providing financial aid to those who lost loved ones in the war on terrorism.

Other high-risk professions offer benefits that far exceed the maximum \$250,000 SGLI benefit at no-cost to their employees. For example, both the New York Police (NYPD) and New York Fire Department (NYFD) offer no-cost death benefits that typically exceed \$1.3 million for employees killed in the line of duty.¹¹ Moreover, the Public Safety Officer's Benefit Act of 1976 provides federal death benefits to all public safety officers (police, fire, ambulance and rescue squad members) in the United

States.¹² This gratis lump-sum payment of \$275,000 is paid by the federal government on top of other benefits paid by municipalities and states in order to aid in the recruitment and retention of public safety officers.¹³

In contrast, a Marine must make monthly payments of \$16.25 to qualify for a maximum death compensation of \$250,000.¹⁴ This is in stark contrast to the 9/11 Victim Compensation Fund which guaranteed a *minimum* payment of \$250,000 to the families of the deceased and is far less than NYPD or NYFD benefits.¹⁵ It seems unjust that a Marine who knowingly places himself in dire situations should be forced to pay for compensation that terror attack victims received at no cost. While some may argue that the reduced life insurance rates offered by SGLI mitigate the cost the service member incurs, this is a misconception since commercial life insurance may be purchased by the average Marine for premiums less than SGLI.¹⁶

The inequities are further illustrated in injury cases. An injured Marine receives no compensation for injuries suffered. In fact, a Marine would only receive lump-sum compensation if permanently disabled. Furthermore, it would be far less compensation than the average \$400,000 injury compensation granted by the Victim Compensation Fund.¹⁷ If the federal government deems terror-related injury benefits are worth

\$400,000, then it would seem terror-related military death benefits should be compensated at a similar amount.

In contrast to the 9/11 lump-sum examples, the full benefits of a Marine are paid over the course of years or decades.¹⁸ A typical Marine death benefit paid over the course of twenty years is \$496,000 and this amount will only be realized if the Marine had only one child and the surviving spouse never re-marries.¹⁹ This \$496,000 breaks down to \$24,800 a year to cover the expenses incurred by the spouse and child. This comparison illustrates an extreme gap in death benefits between the civilian sector and the military. The comparison is not made to dispute the 9/11 Victim Fund or police force compensation. Rather, it is made to illustrate that the compensation provided to service members falls below the benchmark established by the other funds.

In creating the Victims Compensation Fund and Public Safety Officers' Benefits Program, federal lawmakers have established a pattern of helping those in need. Additionally, through the creation of various compensation programs, municipal and state governments recognize the sacrifices of those they place in hazardous duty. It is time for the federal government to recognize the needs of those placed in harm's way and extend similar compensation plans to service members. In order to do

so, no-cost monetary benefits comparable to the SGLI benefit of \$250,000 should be extended to service members.

FISCAL VIABILITY

Opponents to a no-cost death benefit of \$250,000 argue that it is cost prohibitive. In 2004, 410 Marines died while serving in Iraq.²⁰ If all received \$250,000 as a no-premium benefit, the total government cost would be \$102 million dollars. At first glance, this number does seem high, but when compared to the \$10 billion spent in 2004 on Federal International Assistance Programs, it is a nominal sum.²¹ If money is redirected from programs that currently have less of a need for the large sums they are receiving, the SGLI could be supplemented with little to no cost to the government through a simple reallocation of assets. For example, the Veterans Administration had an outlay of \$60 billion for FY 2004.²² Veterans Administration funding continues to increase while the number of veterans decreases.²³ These budget increases could be allocated towards death benefit payments while still providing adequate care for veteran service members.

Providing the SGLI \$250,000 benefit to active duty military personnel without service member premium payments is not cost prohibitive and is fiscally possible. Although \$102 million is an astronomical sum to the average citizen, it is virtually transparent in federal budget terms. While this example

primarily focuses on the Marine Corps, any change in federal law would affect all armed forces. If each of the 1,495 service members killed in Operation Iraqi Freedom (OIF) and Operation Enduring Freedom (OEF) received a \$250,000 benefit, the federal cost would be \$373 million.²⁴ For the same time period, the Veteran's Administration budget was \$174 billion and total foreign aid was \$80 billion.²⁵ \$373 million allocated to service members killed in OIF and OEF is an insignificant percentage of these budgets. Moreover, a total of seven billion dollars was paid by the federal government to 9/11 victims and survivors.²⁶ A benefit of \$250,000 paid to each service member killed in OIF and OEF would only comprise five percent of the total paid out by the Victim's Compensation Fund.

MORAL RESPONSIBILITY

Top lawmakers have expressed concern about the well-being of service members and their families. When President Bush signed the fiscal year 2005 defense bill, he spoke about the concern for family well-being:

The excellence and professionalism of an all-volunteer force has never been higher. America must do all we can to encourage these special Americans to stay in uniform. And that starts with taking care of their families.²⁷

Family well-being concerns do not rest solely at the executive level of government. Congressman Duncan Hunter, Chairman of the House Armed Service Committee, made the

following statement in the House of Representatives on 21 May 2003: "America's military team has performed brilliantly for us, now it is time for us to perform for them."²⁸ Lawmakers have recognized deficiencies and recent increases in defense spending and death benefits are testament to the lawmakers' commitment to service members.²⁹ However, there is more to be done and now is the time to take the lawmakers' support and turn their attention to providing for the families of Marines who have sacrificed their lives while serving their country. Military leaders of all ranks should press this issue while elected officials must recognize the failings of current service member death benefits and work to establish improvement in this still overlooked area.

It follows that the monetary value SGLI provides should be at no cost to service members. It is beyond question that there are several federal precedents addressing death benefits and these precedents should form the basis for service member death compensation. Additionally, the federal government cost of establishing and maintaining such standards is clearly economically feasible and would be virtually unnoticeable when compared to the overall federal budget. Furthermore, top lawmakers have verbally expressed their rightful concern for the welfare of military families and must now act upon this moral responsibility. Action should be taken immediately to provide SGLI's monetary benefits at no cost to service members.

Notes

1. David W. Chen, "\$7 Billion for the Grief of Sept 11," *New York Times*, 16 November 2004, sec. A.

2. Sergeant T.E. Mingo, Disbursing System Analyst, Manpower Information Systems Support Office 03, interview by author, 28 December 2004.

3. Congress of the United States, *Public Law 107-42: Air Transportation Safety and System Stabilization Act*, September 2001 (Washington, D.C.: GPO, 2001), Title VI. Cited hereafter as *Public Law 107-42*.

4. Chen, sec A.

5. Chen, sec A.

6. *Public Law 107-42*, Title IV.

7. *Public Law 107-42*, Section 405.

8. Chen, sec A.

9. *Public Law 107-42*, Title IV, Section 405.

10. *Public Law 107-42*, Title IV.

11. "Explanation of Economic Loss Calculations for FDNY or NYPD Victims," *U.S. Department of Justice*, 15 May 2002. [http://www.usdoj.gov/victimcompensation/fire_police .pdf](http://www.usdoj.gov/victimcompensation/fire_police.pdf)> (4 January 2005).

12. "Public Safety Officer's Benefits Program," *U.S. Department of Justice*, 01 October 2004. <http://www.ojp.usdoj.gov/BJA/grant/psob/psob_main.html> (14 January 2005)

13 Public Safety Officer's Benefits Program.

14. United States Marine Corps Order P1741.8D, *Government Life Insurance Manual* (Navy Annex, Washington D.C.: HQMC, 17 December 1998), 1-6.

15. Chen, sec. A.

16. "Term Life Insurance Quotes," *QuickQuote*, 2004. <<https://www.quickquote.com/egibin/dispTermLifeQuotes.pl>> (21 November 2004).

17. Chen, sec. A.

18. 1st Lieutenant A.G.B. Ferdinand, USMC, Administration Officer, and Gunnery Sergeant C.V. Grubb, USMC, Operations Chief, Casualty Section (MRC), interview by author, 04 January 2004.

19. Ferdinand and Grubb.

20. "OIF Total," *Washington Headquarters Services. Directorate for Information Operations and Reports*, 1 January 2005. <
<http://web1.whs.osd.mil/mm/casualty/castop.htm>> (7 January 2005).

21. U.S. Office of Management and Budget, *Fiscal Year 2005 Budget*, (Washington, D.C.:GPO, 2004), 256. Cited hereafter as *Fiscal Year 2005 Budget*.

22. *Fiscal Year 2005 Budget*, 290.

23. *Fiscal Year 2005 Budget*, 282.

24. "OIF Total".

25. U.S. Office of Management and Budget, *Fiscal Year 2005 Budget*, 2004 (Washington, D.C.:GPO, 2004), 282.

26. Chen, sec. A.

27. "President Signs Defense Bill," *The White House*, 2004. <
<http://www.whitehouse.gov/news/releases/2004/08/20040805-4.html>> (4 January 2005).

28. Rep. Hunter Duncan (R-CA), "HR 1588 National Defense Authorization Act for FY 2004," *U.S. Congressional Record*, (2003), H4403.

29. Originally, this comment reflected recent changes that counteracted the Survivor's Benefit Plan/Dependency and Indemnity Compensation offsets as well as increasing the death gratuity to \$12,000. However, as this paper was nearing finalization, Senators Joseph Lieberman and Jeff Sessions announced on 11 January 2005 details of their Honoring Every Requirement of Exemplary Service Act of 2005 which they planned to introduce in Congress during the 2005 session. This act proposes increasing service member death benefits by \$250,000. Additionally, on 01 February 2005, President Bush announced a proposal that would pay an extra \$250,000 in death benefits to all service members killed in OEF and OIF as well those killed in any future war zones.

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